



CALPEEK

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IT'S VERY QUIET IN O.C. PROBE OF DIRTY TRICKS IN 67th A.D. RECALL. ALL EYES ARE ON DA CAPIZZI.

Editor's note: There was lots of news coming out of the Orange Co. DA's office late last year in connection with allegations of GOP dirty tricks in the 67th A.D. recall of Doris Allen. Now the situation is very, very quiet. What's going on?? Here's our analysis...

...There are two rumors making the rounds in connection with the ongoing investigation by O.C. DA Mike Capizzi: 1) The political probe is almost over and the only thing that will happen is that new Assemblyman Scott Baugh(R-Huntington Beach) may get slapped with a fine by the FPPC for alleged campaign reporting violations, but that's it. Perhaps Laurie Campbell, the Demo ringer tossed off the recall ballot because she falsely claimed to be the circulator of her nominating petitions, may get a bill from O.C. demanding payment for the cost of reprinting ballots. But no other GOP elected official (or AAs) will be prosecuted for wrongdoing. 2) This is the lull prior to Capizzi going ahead full steam with his criminal investigation into possible wrongdoing. This last scenario has some powerful GOPers in Orange Co. very nervous. Most, but not all sources, think scenario #2 is the more likely explanation. Here's why...

- Capizzi has a proven track record when it comes to prosecuting political corruption. In this case, sources think he has a good idea of exactly what happened and who may be guilty of wrongdoing. If he were to punt, he'd be open to the charge that he caved into pressure from O.C.'s powerful GOP political establishment. Bottomline: CALPEEK sources say Capizzi has his eye on the Republican AG's primary in 1998. So they see this case as a political litmus test for him...

- Capizzi is a cautious prosecutor. He would not have approved the raid by his investigators on Baugh's

home late last year without good cause. Remember, his office needed a judge to sign a search warrant. And we know how cautious judges can be...

- But perhaps the best explanation for the lack of action is because there is a new 1996 O.C. Grand Jury. The DA's staff has to get the new jury up to speed on this case before it can move forward...

...FYI: All the yelling and screaming at Capizzi by some members of O.C.'s GOP Junta has died down. Our sources say the guys from O.C.'s Lincoln Club told the Capizzi bashers to cool it. Stay tuned...

CA INITIATIVE UPDATE: 8 MORE MEASURES ARE ON THE STREET. UPDATE ON FLAT TAX & 10-20-LIFE.

Editor's note: The CA Sec. of State has OKed 8 more initiatives for circulation. So as of now there are 31 initiatives gathering signatures. In order to make the Nov. 5th ballot, initiatives should be turned in by April 19. The certification deadline is June 27th. Constitutional amendments require 693,230 valid names and statutes require 433,269 valid signatures. Rule of thumb: proponents need to gather twice that number to insure qualification. Here's our update...

New Initiatives on the Street

- **Limitation on Recovery to Felons. Uninsured Motorists. Drunk Drivers.** The sponsor is CA Insurance Comm. Chuck Quackenbush. Deadline is May 30. Statute. Contact: (916)442-7757. Time is a factor, but this should make it...

- **Beverage Container Recycling Program. Wine and Liquor Containers.** The proponent is Mark R. Murray of Californians Against Waste. Deadline is May 30. Statute. Contact: (916)443-5422. Money is the key to qualification...

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■ **Spending Limits & Campaign Contributions.**

Lobbyist Restrictions. The proponents are Tanya E. Africa and Susan R. Rakov. Deadline is May 31. Statute. Contact: (805)966-2726...

■ **Flat Income Tax. Other Taxes. Repeal.** The key sponsors are Assemblyman Howard Kaloogian(R-San Diego), economist Arthur Laffer & Victor Canto. Deadline is May 31. Const. Amend. Contact: Steve Merksamer at (916)446-6752. Time works against this measure...

■ **Elections. Electronic Registration & Voting.** The key sponsor is Marc Strassman of the Campaign for Digital Democracy. Deadline is June 3. Statute. Contact: (818)907-1347...

■ **Radioactive Waste Disposal.** The sponsor is Ernest Goitstein. Deadline is June 3. Statute. Contact: (415)369-6690. FYI: No money...

■ **Design & Engineering Services. State-Funded. Cost Analysis. Civil Service. Competitive Bidding. Contractor Responsibility.** The sponsors are Arthur P. Duggy, Brett Barnett and Mahmood R. Rastegar of Professional Engineers of CA Govt.. Deadline is June 3. Const. Amend. Contact: (916)446-0400. They have the funding, but time is a problem...

■ **Felonies Involving Firearms. Mandatory Additional Prison Terms.** The sponsor is 3-Strikes author Mike Reynolds of Fresno. Deadline is June 3. Statute. Contact: (916)444-8080. This is the *10-20-Life Initiative*. If a person is armed with a gun during a serious felony, it adds 10 years to the sentence. If the gun is fired, it adds 20 years. And if someone is hit by a bullet, it's 25 years to life. Money is a problem...

Odds & Ends

● **AB 892** is the Reynolds initiative in legislative/bill form. It recently passed its policy committee with the understanding from its author, Assemblyman James Rogan(R-Glendale), that there would be substantial changes. PORAC and the NRA have some key concerns, such as: 1) officer involved shootings; and 2) turns manslaughter into a life sentence. Another bill, SB 1392 by Sen. Steve Peace, has some of the same features as AB 892, but is much tighter in language...

● **Flat Tax Follies** - With all the publicity surrounding GOP presidential candidate Steve Forbes' flat tax plan and now the Kemp Comm. Flat Tax, it shouldn't shock you that there could be a flat tax initiative on CA's Nov. 5th ballot. This plan, which we call the Kaloogian/Laffer plan, replaces the existing income tax with a flat tax. The percentage would be set by the Legislature (and it takes a 2/3rd vote to adjust the tax). We hear the percentage would be about 5%. There would be an exemption for mortgage interest payments and charitable contributions. Local government would still have the property tax and they could, under this plan, have a surtax on the flat tax with a 2/3rds vote. Alcohol, tobacco and horse racing taxes would remain, as would insurance gross premium taxes. But sales & gasoline taxes would be eliminated. It does have a Jerry Brown element: renters deduction for rent paid. This will cost hundreds of millions in state revenue and will cause the real estate lobby to go nuts...

CAMPAIGN '96: CALIF. STATE SENATE - AN UPDATE.

Editor's note: This week CALPEEK will look at incumbent CA State Senators who are *under siege* from primary opponents. Here's our update...

...Of the nine(9) incumbent State senators seeking reelection in 1996, only two(2) have primary opponents. On the GOP side, 35th S.D. freshman **Ross Johnson** will face former Assemblyman Gil Ferguson of Newport Beach. On the Demo side, 25th S.D. incumbent **Teresa Hughes** faces current Assemblyman Curtis Tucker of Inglewood. Both primary battles could be very bloody...

...In the Hughes vs. Tucker contest, sources tell CALPEEK that Hughes has a very slight edge at this time, based upon the fact that she will have the total support of the Senate Demo Leadership. That's significant. But Tucker has done well in fundraising and he'll have a solid field operation (whereas Hughes may rely too much on mail). If this is the case, then the race could be very close. But also remember this: the largest number of likely voters will be black woman --- and that's where Hughes has an edge...

...In the 35th S.D. battle, this is *revenge time* for Gil Ferguson. He's totally obsessed with Orange Co.'s GOP *Junta* (the small cadre of Republican elected

officials and insiders who are the power brokers and king makers). Ferguson has never been a part of their inner circle and he really hates them. But the big question for Ferguson is money. Where is he going to raise the kind of warchest necessary to beat Johnson???

● **The Demo Party Endorsement Game.** On Jan. 14th, the members of the CA Demo Party State Central Cmt. conducted pre-primary endorsement mini-conventions across the State. In order to win an endorsement, incumbents needed 50% and in OPEN races, the winner had to get 60%. In the 25th S.D., Hughes was the winner. In OPEN seat battles, winners included Assemblyman John Vasconcellos (over businessman Tom Hayes) for the 13th S.D.; Assemblyman John Burton (over S.F. Co. Sup. Angela Alioto) for the 3rd S.D.; and Assemblywoman Barbara Lee (over Assemblyman Bob Campbell) for the 9th S.D. Stay tuned...

CARD CLUB MADNESS MAY NOT BE DEAD FOR 1996.

Editor's note: the passage of SB 100 by Sen. Ken Maddy(R-Fresno) was supposed to mandate a 3-year moratorium banning cities/counties from holding elections to either expand or allow card clubs. Here's a brief update...

...CALPEEK sources say this new law may be challenged as unconstitutional by the City of San Bernardino. The issue: local control. Possibly joining San Berdu in court may be the City of Folsom, whose council recently passed an ordinance allowing expansion of an existing card club. Maddy says Folsom's action is *illegal*. We'll keep you posted...

...In neighboring Stockton, look for a very hot local battle over Measure Q. The Mi Wuk Indian tribe of Calaveras Co. and area church groups qualified a referendum to overturn a new city law that allows the Delta Park Casino into town. Sacto-based Townsend Hermocillo et al are working side-by-side with Stockton-based Strategic Research on the NO side for the Indians and the religious right. Why are the Mi Wuk Indians opposed to this new city ordinance? They have a very successful casino operation and they don't want the competition. No word yet on the campaign mgt. team for the YES side. The election is March 26th...

...FYI: In '95, there were 19 card club elections in 18 cities throughout Calif. The city of Pomona had two

such elections --- and lost both of them. In fact, of the 19 elections, proponents favoring card clubs only won 4 times: Palm Springs, Coachella, Suisun City & Hawaiian Gardens. And sources say there is already a legal challenge to the Hawaiian Gardens vote. Santa Monica-based Strumwasser & Woocher is handling the legal challenge for the Cmt. Against Club Club Expansion. We expect courtroom action next month. Stay tuned...

COUNTY INITIATIVES: THERE ARE SEVERAL HOT LOCAL MEASURES ON THE MARCH 1996 BALLOT.

Editor's note: There are a number of very controversial local measures on the March 26th ballot. Note to campaign consultants: if you've got a city/county measure, let us know. Here's our update...

☒ Measure A - San Francisco - This is a major \$157 million bond measure to add 300,000 more feet to the Moscone Convention Center. Measure A is supported by Mayor Willie Brown and the Bd. of Supes. Solem & Associates and John Whitehurst are in charge of the campaign...

☒ Measure S - Orange Co. - Some call this measure El Toro II - because for the second time voters are being asked to revisit the question of what to do with El Toro Marine Corps Air Station once it is closed. In November of '94 voters narrowly approved Measure A, which established a Citizens Advisory Cmt. to plan the future use of El Toro. Measure S would give that power to the Bd. of Supes. Forde & Mollrich are on the NO side of S and want to keep Measure A in place. No word as yet on who will run the YES campaign, but the group which qualified this initiative (Taxpayers for Responsible Planning) hired Dr. Gary Lawrence to handle polling. This cmt. is said to have raised about \$500,000 so far...

☒ Measure X - Ventura - Simply stated, this referendum is a battle between the Ventura Co. and Community Memorial Hospital. Ventura Co. wants to consolidate several specialty clinics, a new kitchen and a new lab in one building (Ambulatory Care Center), which will be located across the street from Community Memorial. CMH is opposed and has hired Russo, Marsh + Raper to run their campaign. The YES side is organized as SMART - Saving Money As Responsible Taxpayers and has hired Siegel & Nicholl to run the campaign...

MAYOR GOLDSMITH AT COMMONWEALTH CLUB.

Indianapolis Mayor Stephen Goldsmith will address members of the Commonwealth Club of CA, 11:45 a.m., Jan. 26, Sheraton Palace Hotel, S.F. For info or RSVPs ☎(415)597-6705...

CALPEEK's INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few political items worth noting...

■ **West Hollywood Passes SNS Gun Ban** - The city council in this upscale city wedged between Hollywood(L.A. City) and Beverly Hills on Jan. 16 passed a law that bans the sale of so-called *Saturday Night Special* handguns. The vote was 5-0 and the law takes effect on Feb. 16th. Even though the law is tightly drafted, sources think it's very likely West Hollywood will face a costly legal challenge. Count on it...

■ **S.F. Mayor Makes More Appointments** - S.F. Mayor Willie Brown has named 34-year-old Michael Yaki to fill out the rest of Terence Hallinan's term on the S.F. Board of Supes. Since the term expires in this year, Yaki will seek reelection on Nov. 5th. Yaki, an Asian American, is a key aide to U.S. Rep. Nancy Pelosi(D-S.F.). He's a regular fixture at city hall and is highly regarded. Brown also named Emilio Cruz as his COS. He was director of facilities & operations for the Port of S.F. He's considered an administrative pro who is not political. And longtime Brown loyalist Eleanor Johns was named executive assistant to the mayor...

■ **CDP Pre-Primary Endorsements** - The CA Demo Party's pre-primary endorsement meetings on Jan. 14th had few surprises, as all incumbent legislative and U.S. House members won CDP backing. But most of the hot OPEN seat battles resulted in *No Endorsement*. That wasn't the case in the contest to replace Assemblyman Richard Katz(D-39th), where Tony Cardenas, with tons of outside-the-district help, got the endorsement over frontrunners Valerie Salkin and Jim Dantona. A number of East L.A. Demo hispanic lawmakers appointed about 12 new central cmt. members, and combined with 5 other votes, Cardenas won. Will Salkin or Dantona appeal to the CDP's Executive Board? Maybe, but our sources think this is a done deal because Cardenas followed the CDP rules...

NEW JOBS, ADDRESSES AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

◆ A sad note: Former CA Supreme Court Justice Otto M. Kaus, 76, died Jan. 12 after a battle with cancer. He served on the court from 1981-85. R.I.P...

◆ The DC-based Garin-Hart Strategic Research Group has changed its name to Garin-Hart-Yang Research Group to reflect the partnership of VP Frederick S. Yang, who has been with the firm since 1988...

◆ Jim Boren of the Fresno BEE has been promoted to editorial page editor. Replacing him as political editor is Phoebe Wall Howard, formerly with the Des Moines Register...

◆ OUT as CNN/L.A. bureau chief is Dave Farmer. His replacement: Suzanne Spurgeon, the deputy bureau chief since 1994...

◆ Manatt, Phelps & Phillips partner George Kieffer is nominated to a 5-yr. term on the L.A. Export Terminal Bd. of Directors by L.A. Mayor Riordan...

◆ New address: Demo fundraising consultant Charley Dobbs moves her Charlotte Dobbs & Co. firm to 10990 Wilshire Blvd., Ste. 920, L.A. 90024. New ☎ (310)231-1250...

◆ New chairperson of the L.A. Community Redevelopment Agency Bd. of Comm. is Paramount Pictures VP of planning & development Christine Essel...

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